



Building a strong services brand: Lessons from Mayo Clinic

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Abstract A strong services brand is built and sustained primarily by customers' interactions with the provider. A services branding model depicts the dynamics of brand creation. From the interrelationships among the presented brand, external communications, and customers' experiences emerge brand awareness, meaning, and, ultimately, equity. The Mayo Clinic case study illustrates the services branding model by showing how one organization has created, extended, and protected a powerful brand through an unwavering commitment to the well-being of its customers. Managers outside of healthcare can benefit from three branding lessons embedded in the Mayo Clinic story: (1) attend to organizational values; (2) play defense, not just offense; and (3) turn customers into marketers.

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1. Mayo Clinic: A brand to behold

Mayo Clinic has developed one of the most powerful services brands in the world and, arguably, the leading healthcare brand in the United States. In a 2003 national study, primary decision-makers in US households were asked what healthcare institution they would choose for themselves or a family member if insurance or finances would enable them to go anywhere for a serious medical problem such as cancer treatment, heart surgery, or neurosurgery. Responses were unaided and Mayo Clinic was not identified as the study sponsor. As shown in [Table 1](#), Mayo Clinic was mentioned by nearly 19% of respondents, with an additional 8% including Mayo Clinic in

a follow-up question asking for "other institutions" they would consider. Preference for Mayo Clinic is almost three times greater than for the second-ranked institution ([Mayo Clinic Brand Monitor, 2003](#)).

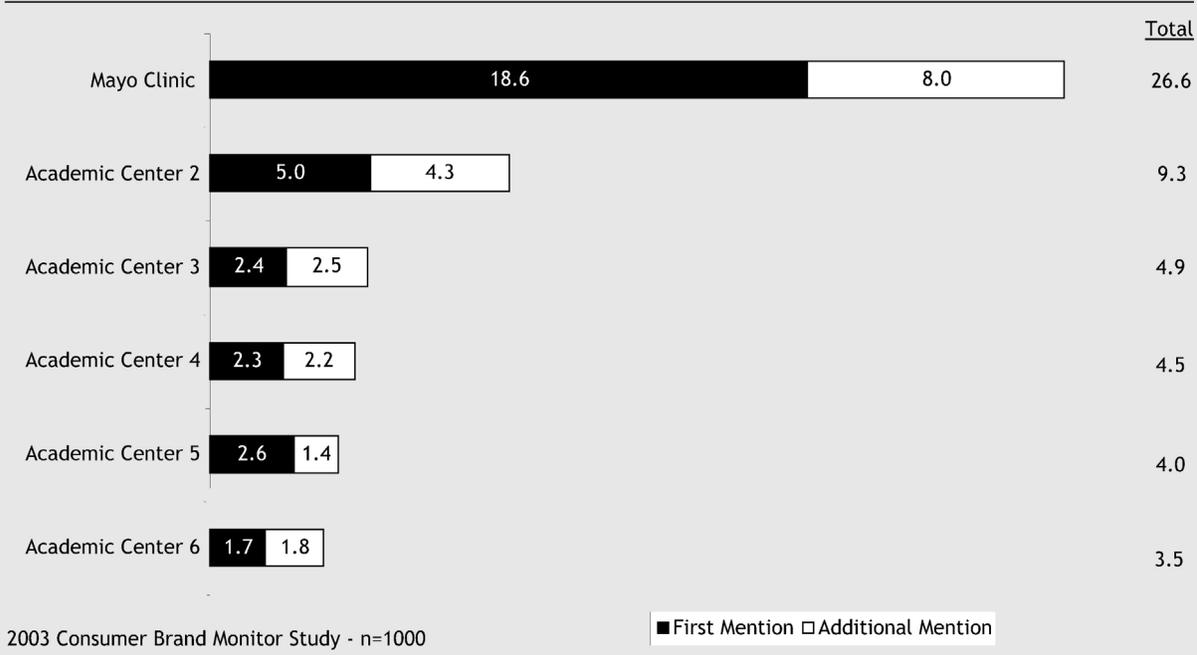
The purpose of this article is to distill how Mayo Clinic has built and sustained such a strong services brand, and to suggest branding lessons managers in other service organizations can glean from the Mayo case study. The Mayo Clinic brand story is nothing short of remarkable: the organization opened shop more than 140 years ago in a small, isolated Minnesota town, had a one-person marketing staff from 1986 until 1992, and uses little media promotion to this day (defying the commonly held assumption that great brands require great advertising).

In undertaking our study, we begin by summarizing a generic model of services branding. Next, we present the Mayo Clinic case study, which illustrates

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Table 1 Total unaided brand preference for healthcare institutions



the model. Finally, we conclude with a discussion of the lessons Mayo Clinic teaches us about services branding.

2. Customer experience creates the brand

A services brand is essentially a promise about the nature of a future experience with an organization or individual service provider. Fig. 1, based on Berry (2000), presents the relationships among the principal components of a services organization brand. The bold lines indicate primary influence and the dotted lines, secondary influence.

The *presented brand* is the *organization-controlled* communication of a desired brand image. Advertising, brand name, logo, websites, employee uniforms, and facilities design are among the vehicles used to disseminate the desired branding message. Brand presentation directly impacts *brand awareness*, which is a customer's ability to recognize and recall a brand. It also impacts brand meaning, as discussed below.

External brand communication is the *organization-influenced* communication about the brand. Publicity and word-of-mouth communication (increasingly conveyed via the Internet through blogs, message boards, and personal websites) are its main forms. These communications can impact both brand awareness and meaning but not necessarily in the desired manner, given the independent sources of the information. Customers

tend to be eager recipients of unbiased information about a service, given its intangible core and the inherent challenge of evaluating it prior to purchase. There are no tires to kick when buying a service. The more consequential, complex, and variable the service, the more interested prospective customers are likely to be in the opinions of customers who have experienced it (Berry & Parasuraman, 1991). Conceptually, word-of-mouth and publicity should have less influence than an organization's controlled communications, which often will reach a wider audience and are developed to strengthen the brand. However, specific developments, such as a major news story about a company, may transform the services branding model's dotted lines (secondary influence) to bold (primary influence).

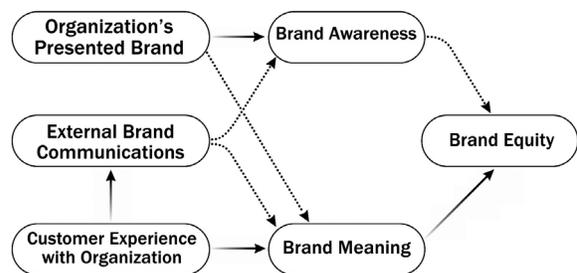


Figure 1 A services branding model.

Customer experience with the organization is the customer's cumulative experience interacting with the organization. Non-customers' impressions of an organization are shaped by what the organization and others say. Customers, however, have their own experiences with the organization to rely on, and these experiences are disproportionately influential in shaping *brand meaning* (i.e., the customer's dominant perceptions of the brand). Brand meaning is the concept or impression that immediately comes to the customer's mind in reference to the brand. It is the organization's reputation or image with that customer. A well-managed organization invests in providing customers a favorable experience; however, customers' actual experiences are less controllable by the organization than its presented brand. The message the organization formally communicates to customers is easier to control than how it interacts with them.

Customers' experience-based perceptions prevail if external information and personal experience are conflicting. Thus, the presented brand and external brand communications have a dotted-line influence on brand meaning, compared to the bold-line impact of actual experience. Nothing trumps the customer's actual experience in creating brand meaning; advertising can play important roles in services branding, such as generating brand awareness and stimulating trial, but even the cleverest advertising cannot rescue a weak service. Customers' actual experiences can also have a bold-line influence on word-of-mouth communications, especially for services at the extreme of positive or negative and that meet the criteria of importance, complexity, and variability.

Brand awareness and brand meaning both influence *brand equity* for experienced customers, but not to the same degree. Brand meaning has the greater impact. A customer who is aware of a brand but doesn't like it will seek alternatives. Brand equity is the degree of marketing advantage (positive equity) or disadvantage (negative equity) a given brand has compared to an unnamed or fictitiously named competitor (Keller, 1993).

The services branding model differs from a goods branding model in two prime respects. Customers' actual experiences are salient in both models. For labor-intensive services, however, those experiences are primarily with people rather than manufactured goods. Also, in services, it is the organization that typically is branded, versus a manufactured product. Customers perceive the source of the experience as the brand. If the experience comes from using a product, the product is the brand; if the experience comes from an organization, then the organization is branded.

3. A big brand from a little town

Few, if any, case studies better illustrate the dynamics of the services branding model than Mayo Clinic. The model captures the primary influence of customer experience in building a strong brand, and this is exactly what has occurred at Mayo Clinic. Despite minimal advertising, Mayo Clinic has developed a big brand by delivering care worth talking about, carefully extending the brand, and aggressively protecting the brand.

3.1. Delivering care worth talking about

Mayo Clinic, perhaps as much as any other services organization, benefits from word-of-mouth communications. Research indicates that 95% of Mayo Clinic patients report they voluntarily say good things about the Clinic to others. As revealed by three iterations of the [Patient Brand Monitor Study \(2003, 2001, 1999\)](#), respondents indicate they speak to between 44 and 47 different persons. Clearly, Mayo Clinic delivers a patient care experience that provokes external brand communications.

Mayo Clinic traces its roots back to 1863, the year in which a previously itinerant physician, William Worrall Mayo, came to Rochester, Minnesota as the examining surgeon in charge of assessing the fitness of young Civil War service recruits. After the war, Mayo and his family stayed. William Worrall's sons, William J. Mayo and Charles H. Mayo, went to medical school and then joined their father's practice in 1883 and 1888, respectively.

With modern surgery in its infancy, creative, innovative practitioners could make a significant impact. Anesthesia had recently become available to surgeons, allowing them the time necessary to complete complex procedures. The Mayo brothers, early adopters of sterile surgical techniques, performed surgeries across what today would be virtually all the surgical specialties. So skillful and innovative were the two that surgeons from around the world traveled to out-of-the-way Rochester to observe their techniques. The reputation of "The Mayos' Clinic," as it came to be known, was based first and foremost on clinical results. Outcomes were published in the top medical journals and Mayo Clinic earned a reputation for leading medical science and excellent clinical outcomes.

Surgeries and science alone, however, did not create the Mayo Clinic brand. Early in their careers, the Mayo brothers realized that two interrelated core values were essential to their medical practice: (1) placing the patients' interests above all others, and (2) teamwork. In a commencement address to the Rush Medical College, Dr. William Mayo (1910) stated:

"The best interest of the patient is the only interest to be considered, and in order that the sick may have the benefit of advancing knowledge, union of forces is necessary....It has become necessary to develop medicine as a cooperative science."

Teamwork was a natural extension of the mutual respect that the brothers had for one another. They never spoke of "I" in connection with their professional lives; it was always, "My brother and I." In the 1890s, William and Charles Mayo began to hire partners to help manage the large volume of patients. Soon thereafter, they learned that these partners, whom were first hired to handle pre-surgical consultations and diagnoses, had special expertise of their own. The brothers encouraged medical specialization, despite the common view in medicine at the time that an individual doctor should be able to do everything for a patient. Retired Mayo Clinic gastroenterologist Dr. Hugh Butt, 96 years old in 2006 and one of the last living physicians trained directly by one of the Mayo brothers, reports that Dr. William Mayo emphasized to him: "...just put all of this knowledge in one patient with all these people who are experts. That is what made this institution successful. You can't know it all" (Butt, 2006).

The Mayo brothers believed that the best way to treat patients with complex illnesses was through the pooling of talent. Mayo Clinic's team medicine model became its competitive advantage in the early 1900s and remains so today, as described by Berry (2004):

"Mayo Clinic is a collaborative organization, a pliable institution that assembles the expertise needed for individual patients. Once the teams provide the necessary care, they disband and reconfigure to meet the medical needs of other patients. Imagine a huge store that sells everything, with experts in every department who work together to help customers. This is how Mayo Clinic is designed for medical customers. Patients don't get just a doctor; they get, in effect, the 'whole company.' The Mayo system of integrated, multi-specialty, outpatient and inpatient medical care doesn't always work as intended. But it does work most of the time and represents Mayo Clinic's most important competitive advantage." (p. 228)

That Mayo Clinic has sustained the brothers' core values for the practice throughout the last century and into the current one is notable. The Clinic has grown considerably in scale and complexity (see Box 1), and has had nine physician CEOs since the brothers passed away in 1939. Crucial to Mayo's

Box 1

Mayo Clinic profile

Mayo Clinic is the first and largest integrated, not-for-profit medical group practice in the world. Doctors from every medical specialty work together to care for patients, joined by common systems and a philosophy of "the needs of the patient come first." More than 2500 physicians and scientists and 42,000 allied health staff work at Mayo Clinic, which has sites in Rochester, Minnesota, Jacksonville, Florida, and Scottsdale/Phoenix, Arizona. Collectively, the three locations treat more than half a million people each year. Total revenue in 2005 totaled \$5.8 billion, with net revenue from current activities of \$275 million.

Medical education and research programs complement Mayo Clinic's primary focus on clinical medicine. The Mayo Clinic College of Medicine is composed of five schools, including the Mayo Medical School with 190 students; Mayo Graduate School, which offers doctoral degrees in medical-related sciences to 250 students; and the Mayo School of Graduate Medical Education, which provides advanced training to more than 2200 resident physicians and clinical fellows each year.

Biomedical research at Mayo Clinic spans the spectrum from basic science to clinical research, with the primary focus on translational research that takes the findings of basic research into clinical practice. Most Mayo Clinic physicians participate in some research activity. More than 7000 research projects are underway at any time; in 2005, more than 5000 new research proposals were reviewed. Annual research funding is over \$400 million, with a third of that from Mayo Clinic funds and donors, and just over half from the National Institutes of Health and other government sources.

preserving its culture is its strict reliance on salary compensation for all staff. Dr. Butt relates that Dr. William Mayo believed this practice was essential because it enabled the physicians to focus on the patient rather than money: "Dr. Will said...'You know, they don't have to worry about anything. It doesn't matter whom they see, how long they spend, what they see, they just have to do the best they can for this patient here'" (Butt, 2006). Indeed, even the Mayo brothers became salaried staff in 1923 after they contributed their personal funds to establish

the Mayo Foundation as a non-profit, charitable entity that would own all of the Clinic's assets. Through salary compensation, Mayo Clinic removes any economic impediment to physician collaboration and teamwork. Mayo Clinic demonstrates how an organization can help sustain core values by aligning its compensation system with them.

Mayo Clinic reinforces its core values relentlessly. The brothers' quotations on patient interest primacy are posted in visible Clinic locations. Mayo uses behavioral interviewing techniques in its quest to recruit team players who will fit its culture; the Clinic involves multiple staff in hiring decisions. To convey the importance of physicians consulting with one another on behalf of their patients, Mayo doctors are referred to as "consultants." Storytelling and repetition are used regularly to underscore the values. As one long-time Mayo physician commented in an interview: "I don't recall a speech or meeting I attended where the core values of the institution were not mentioned" (Berry, 2004, p. 230). Mayo buildings are designed to make it easy for staff to confer; for example, hallways outside exam rooms are sufficiently wide for stand-up meetings. Physicians also have access to sophisticated internal communication technology, including an integrated (or common) electronic medical record for each patient, and paging and telephone systems that enable one Mayo physician to contact another quickly. As one Mayo Clinic physician stated: "I never feel I am in a room by myself, even when I am."

Several years ago, a Mayo ENT specialist in Scottsdale assembled a team of 20 physicians from all three campuses for a videoconference to discuss a difficult case. Experiencing skin cancer at risk for metastasis, a well-known patient needed surgery that posed additional risk for nerve damage and disfigurement. The 90-minute conference was organized in a day and the team reached consensus on a surgical plan, including how aggressively to sample the patient's lymph nodes and how best to reconstruct the surgical site (Berry & Bendapudi, 2003). Although the large number of physician participants was influenced by the high-profile case (which was a national news story), the cultural- and technology-based collaborative approach reflects how Mayo Clinic normally functions.

Mayo Clinic has codified its values, culture, and expectations in the *Mayo Clinic Model of Care* (see Box 2), a document which all employees receive. While formally adopted in 1998, much of the long-term success of Mayo Clinic is attributed to its unwavering practice of this care model for more than a century. Dr. Dawn Milliner, who coordinates the Clinical Practice Advisory Group of Mayo's three campuses (Rochester, Jacksonville, and Scottsdale),

Box 2

Mayo Clinic Model of Care

The Mayo Clinic Model of Care is defined by high quality, compassionate medical care delivered in a multispecialty, integrated academic institution. The primary focus, meeting the needs of the patient, is accomplished by embracing the following core elements (attributes) as the practice continues to evolve.

Patient care

- Collegial, cooperative, staff teamwork with multispecialty integration. A team of specialists is available and appropriately used.
- An unhurried examination with time to listen to the patient.
- A physician takes personal responsibility for directing patient care over time in a partnership with the local physician.
- Highest quality patient care provided with compassion and trust.
- Respect for the patient, family, and the patient's local physician.
- Comprehensive evaluation with timely, efficient assessment and treatment.
- Availability of the most advanced, innovative diagnostic and therapeutic technology and techniques.

The Mayo environment

- Highest quality staff, mentored in the culture of Mayo and valued for their contributions.
- Valued professional allied health staff with a strong work ethic, special expertise, and devotion to Mayo.
- A scholarly environment of research and education.
- Physician leadership.
- Integrated medical record with common support services for all outpatients and inpatients.
- Professional compensation that allows a focus on quality, not quantity.
- Unique professional dress, decorum, and facilities.

explains the genesis of the document: "We were concerned this valued heritage not be lost amid constantly changing diagnostic and treatment technologies, public expectations of health care, government and regulatory requirements, and the financial challenges of health care delivery." Dr. David Herman, chair of the Clinical Practice Committee for the Rochester campus, explains its use:

"We use the document as a country would use a constitution. It is the articulation of the principles that make the Mayo Clinic the Mayo Clinic. It is a

rare meeting of the Executive Board or the Clinical Practice Committee [in which] the document is not specifically mentioned.”

In the words of Dr. Milliner, the *Mayo Clinic Model of Care* serves as a “touch point.”

Patients clearly recognize the clinical capabilities that the Mayo teamwork approach fosters. It is not unusual for Mayo patients to receive diagnoses, treatments, or surgeries that were not available to them in their local markets. Further, many patients come to Mayo Clinic for second or third opinions.

Clients also notice Mayo Clinic’s operational efficiency, the feature that correlates most highly with overall patient satisfaction in the Clinic’s internal studies. Mayo’s efficiency stems in part from its inconvenient, small town location. Beginning in the 1890s, large numbers of Mayo Clinic patients were traveling long distances for their care; it was impossible for them to conveniently go home and then return two weeks later for their next appointment, as is the case with most metropolitan medical centers. As such, the Clinic developed processes that could deliver a large amount of medical care within a short period of time. Appointment calendars for physicians and clinical tests hold slots open for same- and next-day appointments. Patients frequently complete a comprehensive diagnostic visit, with numerous tests and consultations involving multiple doctors, within three to five days. In many cases, patients can even choose to have major surgery the day following speaking with a surgeon.

Patients respond positively to the caring, respectful behavior typically exhibited by the Mayo staff. Interviews with 192 Mayo Clinic patients asked them to describe their best and worst experiences with a Mayo physician. All 192 respondents provided a “best” experience; only 89 could describe a “worst” experience (Bendapudi, Berry, Frey, Parish, & Rayburn, 2006).

Patients’ actual experiences at Mayo Clinic often exceed their expectations, creating a positive overall impression (brand meaning) and stimulating positive word-of-mouth (external brand communications). In this manner, Mayo Clinic patients serve as advertisers for the brand.

3.2. Extending the brand...carefully

Until the mid-1980s, the only way to experience the Mayo Clinic brand was to travel to Rochester, Minnesota for clinical care. Early in the decade, however, Clinic leadership sensed a difficult financial future operating under a business-as-usual plan. Without access to the yet-to-be-developed language of brand management, they intuitively realized the

Mayo Clinic name was an asset (brand equity) that provided leverage in new business operations they classified as “Diversifications.” Exhibiting boldness, tempered by careful planning, they began several initiatives almost simultaneously. Herein, we focus on three having the greatest potential brand impact: (1) geographic extensions of Mayo Clinic to Jacksonville, Florida (opened 1986) and Scottsdale, Arizona (opened 1987); (2) transforming Mayo Medical Laboratories from a regional to a national and international service; and (3) publishing health information for the public.

3.2.1. Geographic expansion

The geographic expansion of clinical operations presented a significant brand risk for the labor-intensive Mayo service brand. Many were concerned that the success of Mayo Clinic in Rochester was a product of the “Minnesota-nice” culture, as well as the regional work ethic instilled by Northern European immigrants who had survived as farmers in a harsh environment. To mitigate the risk, management made two commitments: (1) to replicate the patient experience as much as possible in the new locations, and (2) to transport the Mayo Clinic culture to Jacksonville and Scottsdale through experienced Mayo Clinic physicians and administrative leaders.

Building design was viewed as pivotal for sustaining the Mayo Clinic patient experience in a new location; for instance, the patient examination rooms were virtual duplicates of those in Rochester in terms of size, layout, and equipment. Though the structures were small in comparison to the 19-story Mayo Clinic building in Rochester, their architectural design and interior appointments reflected the same quality and ambiance as on the original campus. Adopting and adapting the patient appointment, medical record, and patient correspondence systems from Rochester further replicated the experience. Indeed, from the time the expansion locations opened, their patient satisfaction statistics have shown no significant differences from those of Rochester.

When the Jacksonville and Scottsdale clinics opened, a solid core of experienced and exemplary Mayo Clinic physicians and administrative leaders from Rochester was represented; in fact, about 25 of the 35 physicians present at each location were transfers from Rochester. The entire administrative team and most of the operations leaders, down to the level of supervisors, also came from Rochester. When these leaders began to hire staff from the local markets, however, they learned that “Minnesota Nice” was not the key factor in creating Mayo Clinic’s reputation for excellent service. Instead, it

was about an alignment of values. Regarding new employees, Matt McElrath, chair of Human Resources for Mayo Clinic in Arizona, observes:

"[most] have worked somewhere else...they are deliberate about coming to Mayo. They want to come and work here. So you find people with a real desire to be here and, consequently, they tend to be motivated with values that are very much in alignment with what Mayo is about."

Working for this brand-name organization seems to bring out the best in many employees. A young woman working in the Scottsdale Clinic as an admissions clerk described, in a focus group, her diligence in trying to help patients at their first stop inside the door. Acknowledging that she is a "better employee at Mayo Clinic" than in any other job she has held, she articulated that she didn't want to "let Mayo Clinic down" by doing anything less than her best. This is, apparently, a common sentiment: as revealed by subsequent focus groups on all three campuses, a large majority of staff indicate that they are better employees for Mayo Clinic than they have been for other employers.

Finally, success in extending the brand grew from providing the tools and the time needed for staff to deliver high-quality care. A nurse working at Mayo Clinic Hospital in Arizona explained it this way: "I've been in nursing for 20 years and this is the first hospital where I've been able to practice nursing the way I was taught nursing should be done." Specifically, she cited that the nursing assignments in the Mayo hospital routinely enabled her to provide excellent care to each patient.

3.2.2. Mayo Medical Laboratories

Mayo Medical Laboratories (MML) is a large clinical reference laboratory that employs more than 800 individuals today. To a large extent, the operation flies below the brand radar because it is exclusively in the B2B category. Mayo Clinic's Department of Laboratory Medicine and Pathology began to offer laboratory services for sophisticated, non-routine clinical tests to physicians and hospitals around Rochester, Minnesota in the early 1970s. The strategy involved more than just providing testing data; the differentiating value in this service was Mayo-physician-to-community-physician consulting about results and their implications. Dr. Michael B. O'Sullivan, the leader of this initiative, emphasized that Mayo Clinic was not to be in competition for the local healthcare dollar; rather, it was to help regional physicians offer a higher level of care to their patients. A small sales force and a courier service supported the product line.

Retaining a focus on sophisticated, complex laboratory testing, MML moved from a regional market to national and international markets in the mid-1980s. Currently, more than 20,000 specimens arrive in Rochester each day via express mail, to be processed in Mayo Clinic laboratories. Reflecting on the advent of this business endeavor, Dr. O'Sullivan states: "Even though 'branding' was not in vogue at the time, we were very much concerned not to harm the reputation of Mayo Clinic." Interestingly, Dr. O'Sullivan's initial proposal for the program, dated 1971, noted: "while our program will be profit-oriented, profit *should not be* and *is not* our primary motivation."

The brand extension through MML has been successful because it leverages clinical knowledge into a solid business line. The extension did not require any significant investment of brand capital, as the service was tightly linked to the high-quality, everyday operations of Mayo's clinical laboratories. The risk was largely limited to developing logistics for transportation of specimens and communication of results.

3.2.3. Health information

In the 1980s, Mayo Clinic's leadership approved publication of consumer health information, featuring first the *Mayo Clinic Health Letter* in 1983 and the *Mayo Clinic Family Health Book* in 1990. This began what is today a robust consumer health information publishing organization that specializes in both print and electronic media.

Many healthcare organizations spend hundreds of thousands of dollars annually in mailing newsletters to residents in their markets. Mayo Clinic has been able to leverage its brand equity to turn this model upside down, with about 800,000 individuals paying an annual subscription fee for its newsletter. Incredibly, these circulars bear one very important distinction: Mayo does not directly market its services in these publications. The newsletter's purpose is to provide useful, reliable, up-to-date health information that empowers consumers and coincidentally reinforces Mayo Clinic's reputation for excellent answers to medical questions.

First published over 15 years ago, the 1448-page *Mayo Clinic Family Health Book*, with total sales of more than 1 million copies, is now in its third edition. Since its debut, more than 25 other titles, ranging from cookbooks to a series on major diseases, have been published.

In the early 1990s, the Health Management Resources Division recognized the importance of electronic media and began producing CD-ROM titles, including the *Family Health Book*. Moreover, MayoClinic.com was one of the first health

information sites on the Internet; now, this award-winning service receives more than six million visits per month.

An Internet presence has stretched some boundaries for Mayo Clinic. Before its website was established, the use of a “.com” domain name was questioned for a brand that consumers typically perceive as “non-commercial.” Market research in the 1990s, however, revealed that few consumers were aware the “.com” refers to a *commercial* domain category. Free to consumers, MayoClinic.com is financed by advertising and sponsorship revenue from companies providing health-related goods and services. Even today, internal critics question whether or not commercial advertising is in the best interest of the brand. What is known, however, is that the overall Mayo Clinic brand preference in the 2003 Brand Monitor study was the highest ever measured.

Potential in this arena still yet exists. Most recently, the Health Management Resources Division has leveraged its library of print and electronic health information into a product line offered to major employers and insurers as a customized tool to help employees and members actively manage their own health.

3.3. Protecting the brand

The leadership of Mayo Clinic knows that the brand is its most valuable asset. Without shareholders or a presence in the equity markets, there has been no reason to put a financial value on the Mayo Clinic brand. It is enough to know that the brand is invaluable and that, if lost, the reputation that is the brand would be gone forever. Any recovery would be partial, at best.

As a valuable asset, the Mayo Clinic brand must be protected from both external and internal threats. Key players in performing this task are the Brand Team, the in-house Legal Department, and the Mayo Clinic Board of Governors. Loyal patients and Mayo Clinic employees also play a brand protection role, as these self-appointed brand monitors frequently report possible issues to the Brand Team.

To maintain control of the presented brand, protective action against external forces is required. To this end, the brand is registered and protected internationally. When, for instance, an organization uses Mayo's name in an advertisement or other marketing materials without approval, internal legal counsel takes whatever measures are appropriate. Usually, these external issues are easily remedied, although exceptions can occur. Weekly scans of new domain name registrations catch virtually all appli-

cations using protected versions of the Mayo name. In 2006, however, a website revealed that a “Mayo Clinic spa” had recently opened and was operating under a trademark in England. In such cases, the legal system may work slowly and expensively, but matters typically reach a definitive conclusion.

While external threats certainly pose dangers, the greatest risks to the brand actually come from inside the Mayo Clinic, in the form of proposals that run counter to the core values or the elements of the Mayo Clinic Model of Care. To protect the organization from itself in these situations, established *Mayo Clinic Brand Management Guidelines* serve as a point of reference for decisions according to four key principles:

- (1) *A product, service, or relationship using the “Mayo” or “Mayo Clinic” brand name must be owned by Mayo Clinic or be under Mayo Clinic's full (ultimate) control.*

This principle developed through extensive communication with other healthcare organizations in the early to mid-1990s, a time of great activity in the formation of healthcare networks and alliances. In 1992, Mayo Clinic began to develop a network of clinics and hospitals around its Rochester, Minnesota facility. This evolved into the Mayo Health System, which is today a large organization of 16 hospitals and 64 clinic sites within a 120-mile radius of Rochester. Each major operating unit of the health system is governed by a board on which Mayo Clinic personnel have a majority vote. As Mayo Health System was being formed, numerous other hospitals and physician groups (many large, successful systems in their own right) expressed interest in an affiliation. After serious and extended negotiations with some of these suitors, however, Mayo Clinic leadership realized that it was comfortable only in situations in which full, immediate control was in place. Of chief concern was the importance of Mayo's distinctive culture and values, which can only be learned by practice and cannot realistically be imposed. Nothing that smacked of a “franchise” of Mayo's brand could deliver the valued promise that the brand had developed with millions of its past patients. The principle applies not only to clinical operations, but also to all products with which the brand is associated.

- (2) *Use of the Mayo Clinic name solely to assure success or name recognition of a service, product, or relationship is not appropriate.*

Occasionally, internal proponents of a product concept argue to Mayo leadership that the product's success in the marketplace requires use of

the Mayo Clinic name. Historically, however, leadership has held to the principle that the product must have market viability without the Mayo brand. The Clinic seeks to use its brand name on internally developed, high-quality goods and services that fill a genuine need and will enhance brand equity; the Mayo brand should not be diminished by trying to prop up a marginal offering to the market. Although the pre-1997 brand portfolio did contain a few offerings that probably did not meet this criterion, none exist today. It is notable that this evolution occurred without any formal action of brand governance.

(3) *The Mayo Clinic brand is not to be used in a manner that trivializes the name or institution.*

This subjective principle plays in a wide array of decisions that concern the presented brand. For instance, in a joint advertising program with a major retailer offering Mayo health information, the Clinic's brand leadership could not find a zone of comfort. The partner had developed a successful but light-hearted, humorous advertising style incongruent with Mayo Clinic being viewed as the "court of last resort" by many people with life-threatening diseases. This principle has been used in turning down proposals for a Mayo Clinic hot-air balloon, t-shirt designs, and numerous promotional items.

(4) *Agreements must be in place to enable Mayo Clinic Brand Management Guidelines to be in force when any part of Mayo Clinic's organization works with other healthcare providers, industries, or brands.*

The interface between Mayo Clinic and industry has been a long-standing focus at Mayo Clinic. The current Medical/Industry Relationship Committee is just the most recent version of an oversight group that began before 1910 with the Mayo brothers as key members. At the heart of this group's charge are concerns about conflicts of interest between Mayo Clinic and corporations serving healthcare providers. The charge ensures that the primacy of patients' interests will be reflected in all business relationships.

The Medical/Industry Relationship Committee oversees all relations of individual physicians, researchers, and administrators in consulting, speaking, and researching for for-profit organizations. The key is carefully written contracts that address use of the Mayo Clinic name and explicitly require prior approval of all communications. The Brand Team has also developed a complex set of "common law" guidelines for these sometimes challenging brand relationships.

The issues are not confined to conflict of interest; the simple principle of win-win also guides. For example, companies that provide goods and services to Mayo Clinic often want to tout this fact in their marketing materials. To guard against those who might want to leverage Mayo's name as an implied endorsement, Mayo allows its name to be used only in a list of five or more other organizations, and requires that all names be in the same type size and listed alphabetically.

Finally, Mayo Clinic has developed an "Acid Test" in branding decisions (see [Box 3](#)). The activity must be compatible with the stated values and principles of the organization and reinforce the Clinic's attributes, essence, and values identified by extensive brand research. Mayo does not have the market's permission to offer anything but the highest quality good or service. Only goods and services focused on health and healing can carry the Mayo Clinic brand name. For example, Mayo Clinic might be able to offer a branded eye glass lens, but could not extend its brand to frames for eye glasses; this would deviate from the realm of medicine into the realm of style. Similarly, Mayo could not brand cosmetics, as consumers indicate that this would trivialize the distinctive clinical brand. In pursuing brand extensions, Mayo Clinic must remain true to its focus on advocacy for the needs of patients and humanity, and not the accumulation of wealth.

Box 3

Brand management acid test

The following criteria should be applied to determine if a proposed product, service, or relationship merits the Mayo Clinic name:

1. Is it consistent with the Mayo Clinic vision and core principles?
2. Does it reinforce the brand attributes, essence, and values patients and consumers associate with Mayo Clinic?
3. By user and industry standards, would it be judged among the best in its category?
4. Is the service or product clearly related and committed to health and healing?
5. Does the product or service reinforce in the mind of the consumer that Mayo Clinic exists first and foremost for the benefit of humanity, rather than for the accumulation of wealth or other commercial purposes?
6. Does the service, product, or relationship deliver the benefits patients and consumers say they expect from Mayo Clinic?

Brand protection is much more a human art than a quantitative science, encompassing each type of influence in the services branding model: the presented brand, external brand communications, and customer experience with the organization. For more than a century, the leaders of Mayo Clinic managed the brand through the living values created by the Mayo brothers and an intuitive understanding of the brand. Brand research has now supplied data that provide a sound structure for understanding the brand and for processing decisions, but these decisions are not always clear-cut. They depend on “gut feelings,” the intuition based on a deep understanding of the culture and values. To date, the record is quite positive.

4. Branding lessons to take away

Founded in the late 1800s on the novel concept of collaborative medicine, Mayo Clinic continues to strengthen execution of the idea to this day. That Mayo Clinic created such a powerful brand is impressive; that it has sustained brand leadership for more than 100 years is remarkable. It is difficult to identify other organizations that have demonstrated such brand strength durability. Services organization managers outside of healthcare can draw multiple branding lessons from the Mayo Clinic case study. Here, we discuss three especially salient lessons.

- *Lesson #1: Attend to organizational values.* A labor-intensive service can only be as good as the people performing the service. The values of the service provider directly influence the quality and value of their service. The Mayo brothers believed that collaborative medicine, the pooling of talent, was the best way to serve the needs of patients. They infused their patient-first, collaborative medicine values into the organization by hiring staff who shared the same vision; by demonstrating the values in their own behavior as clinicians, teachers, and leaders; and by investing in an infrastructure (including salary-compensation and common medical record systems) that reinforced them. The CEOs who followed the Mayo brothers were all respected, long-term physician-leaders at the Clinic prior to ascending to the top position. Their values were known to those who promoted them. As insiders, they have been able to look to the past to guide them in adapting to the future. The degree to which Mayo Clinic has been *values-driven* throughout the organization has greatly influenced the development and sustainability of its brand. Mayo Clinic’s durable core values are
- responsible for its durable brand meaning and equity.
- *Lesson #2: Play defense, not just offense.* The Mayo Clinic story reveals a cautious institution that prizes quality and consistency over growth. The Mayo brand is a trusted brand. The Clinic’s leadership views the trust of patients and referring physicians as a priceless resource to be protected at all costs. A brand is a promise of the future. Mayo Clinic’s brand promise is that it can figure out the patient’s medical problem(s), determine what needs to be done, and then do it effectively. Moreover, it will do all of this efficiently and compassionately. The prevailing carefulness of the institution, implemented through an elaborate committee structure, clearly articulated brand management guidelines, and a Brand Team to enforce them (and, of course, the organization’s core values), has been instrumental in sustaining the trust that defines the Mayo Clinic brand. Mayo Clinic plays aggressive brand defense and cautious brand offense.
- *Lesson #3: Turn customers into marketers.* An astonishing 95% of Mayo Clinic patients indicate that they praise the Clinic to others. On average, they speak to more than 40 people. No wonder Mayo Clinic hardly advertises: its patients do the advertising. Services that are important, complex, and variable (as is healthcare) are especially prone to word-of-mouth communications. Prospective customers benefit from the unvarnished, credible input of experienced customers. Fully capitalizing on word-of-mouth, however, requires providing a service that exceeds customers’ expectations. Services that meet expectations are common; uncommon services that please stimulate positive person-to-person communications.

Mayo Clinic’s department store of medical experts working as a team offers a healthcare experience that is not readily available to patients in their local markets. The Clinic’s emphasis on systems efficiency and excellent interpersonal service further differentiates its market offer. The Clinic evokes the element of pleasant surprise, which is necessary to exceed expectations. Patients want to tell others about the Mayo Clinic. A common misperception in services branding is that the marketing department and its advertising create the brand. As our model and the Mayo case demonstrate, however, the brand heroes are those industrial engineers and other leaders who design the service processes, and the line employees who perform (often on the fly) their individualized service.

5. Always more to do

Mayo Clinic is a very strong brand and the organization is exemplary in many ways; yet, no leader we have interviewed is complacent regarding current service levels. All recognize that to stand still is to fall behind.

In closing, we mention just three examples of high-priority initiatives at Mayo Clinic. The first addresses access. Like many other major medical centers, Mayo Clinic has far more demand for many of its services than it has the capacity to meet. Thousands of patients are turned away each year. The access initiative seeks to provide service to those patients who will benefit most from Mayo's care, an extremely challenging goal to accomplish. The second initiative is designed to improve service to, and communication with, referring physicians, who are key customers of medical centers like Mayo. The third initiative is a multi-year effort to streamline Mayo's committee-based governance system, which is so crucial to brand protection and Mayo's consensus culture.

Like all other organizations, Mayo Clinic has much to work on. Yet, we know of no other organization that better illustrates the services branding model presented in this article. Advertising agency founder Stan Richards remarked that "a strong brand is a safe place for customers" (Richards, 1998). Mayo Clinic's brand is world-

class because it reassures; it evokes confidence in customers who truly need to trust. In the end, great services brands are built on excellent customer experiences, and this is the meta branding lesson the Mayo Clinic teaches.

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